

Odoo v8 AvaTax Module User Guide

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Initial Setup & AvaTax Configuration

Overview

The purchase of AvaTaxERP connector software provides your organization with access to the AvaTax Calc service, including sales tax calculation for all US states and territories and all Canadian provinces and territories (including GST, PST and HST). The module is capable of automatically detecting origin (Output Warehouse) and destination (Client Address) then calculates and reports taxes to the Avalara as well as a recording the correct sales taxes for the validated addresses in your ERP!

This module utilizes core certified modules from Odoo as dependencies as will attempt to automatically (as Odoo modules typically do). The following dependencies will be installed: **base**, **sale**, **account**, **account_accountant**, and **stock** modules. This module also has demo configuration data to work with demo deployments as well. Once configured the module operates in the background and performs calculations and reporting to AvaTax server seamlessly.

This guide includes instructions for the following elements:

- » Activating your organization's AvaTax account and downloading the product
- » Entering your AvaTax credentials into your ERP Configuring your ERP to use the AvaTax Calc service Using AvaTax features within your ERP

- **Note: It is recommended that you test the module before deploying in a production environment!**
- * **Note: All changes to AvaTax settings must be done by a user with administrative privileges.**

Installation

Download available on the Kranbery website as well as in the Odoo app store, github, or bazar. The module is also built with demo data so it's readily available to work on a demo deployment. Remember to contact Avalara to setup a demo or live account: <http://avalara.com>

Download the AvaTax Module: <http://kranbery.com/avatax>

Extract the downloaded file

Upload the extracted directory your configured Odoo modules directory

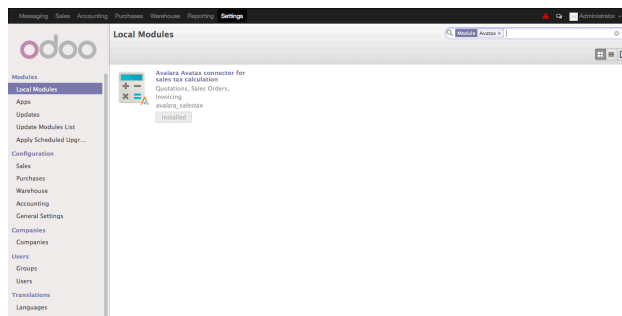
Click **"Install"** or **"Upgrade"** button

Restart Odoo service

Login as Administrator

Navigate to: **Setup > Installed Modules > Search for AvaTax**

Click **"Install"** button



Configure AvaTax API

Navigate to: **Accounting > Configuration > AvaTax > AvaTax API**

Click “Create” button

Fill out the form with Company Code, Account Number and License Key provided to you by Avalara

Fill out the proper service URL provided to you by Avalara

* You may have two service URLs: One for development/testing server and another for production transactions.

Click “Test Connection” button

Click “Save” button

You can further configure the module on this screen.

Other configuration options are:

Adapter

- » Request Timeout - *Default is 300ms*
- » Enable Logging

Address Validation

- » Attempt automatic address validation – *Will perform automatic validation when performing tax computation. The other validation options (below) are not required and will be deselected but available.*
- » Validate on save for customer profile – *Automatically attempts to validate on creation of customer profile update and creation. Last validation date will be visible and stored.*
- » Force Address validation on customer profile save – *In the case validation for customer is required but not valid, the validation will be forced.*
- » Return validation results in upper case – *validation results will return in upper case form.*

Avalara Submissions / Transactions

- » Order-level - All items on order are calculated as one transaction
- » Line-level - Each line item in an order is calculated, displayed and transacted separately
- » Enable UPC Taxability – This will transmit Odoo’s product **ean13** number instead of its **Internal Reference**. If there is no **ean13** then the **Internal Reference** will be sent automatically.

Countries

- » Add or remove applicable countries.
The calculator will not calculate for a Country unless it’s in the list.

Disable

- » Disable Avalara Tax Calculation and reporting
(reporting to Avalara’s dashboard and tracking)
- » Disable Avalara Tax reporting only

The screenshot displays the Odoo AvaTax API configuration interface. The left sidebar contains a navigation menu with options like Purchase Receipts, Supplier Payments, Suppliers, Bank and Cash, Bank Statements, Cash Registers, Journal Entries, Journal Items, Journal Vouchers, Charts, Chart of Accounts, Chart of Taxes, Periodic Processing, Draft Entries, Reconciliation, Recurring Entries, End of Period, Reporting, Legal Reports, Generic Reporting, Configuration, and AvaTax. The main content area is titled 'AvaTax API / avalara.salestax,3' and includes a 'Save' button. The configuration form is divided into several sections: 'Connection' with fields for Account Number, Service URL, and License Key; 'Adapter' with a Request Timeout field and an Enable Logging checkbox; 'Address Validation' with four checkboxes for automatic validation, saving on customer profile, upper case results, and generating customer code; 'Avalara Submissions / Transactions' with three checkboxes for order-level, line-level, and UPC taxability; 'Countries' with a table of countries (Canada, France, United Kingdom, United States) and checkboxes; and 'Disable' with two checkboxes for disabling calculation/reporting and reporting only.

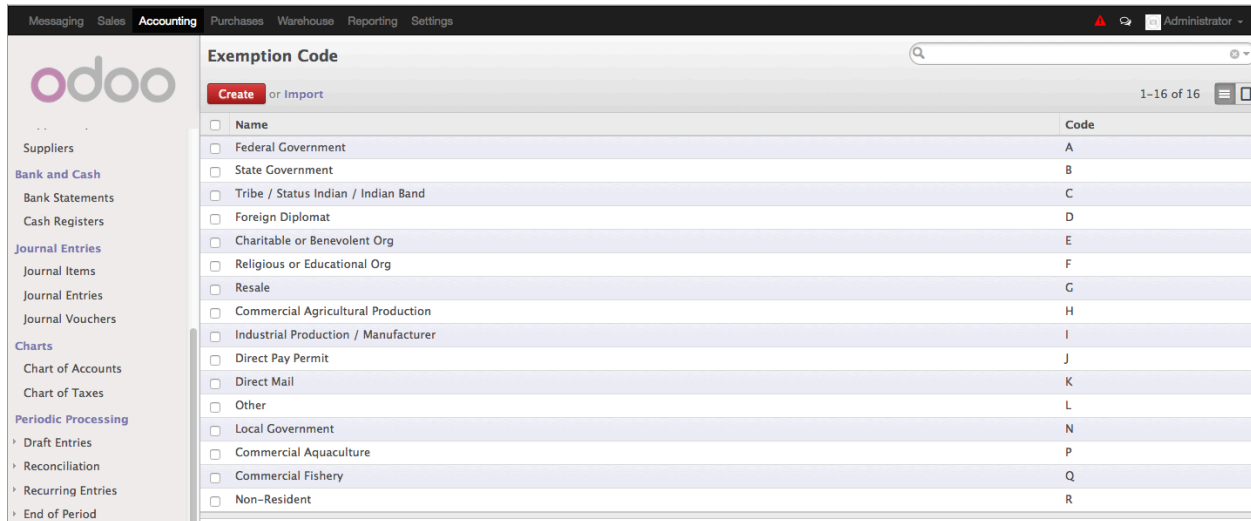
Country Name	Country Code	
Canada	CA	<input checked="" type="checkbox"/>
France	FR	<input checked="" type="checkbox"/>
United Kingdom	GB	<input checked="" type="checkbox"/>
United States	US	<input checked="" type="checkbox"/>

Configure Exemption Codes

Exemption codes are allowed for users where they may apply, e.g., Government entity.

Navigate to: **Accounting > Configuration > AvaTax > Exemption Code**

The module is installed with sixteen (16) predefined exemption codes **Add, remove and modify** exemption codes



The screenshot shows the Odoo Accounting Configuration interface for AvaTax Exemption Codes. The left sidebar contains navigation links for Suppliers, Bank and Cash, Journal Entries, Charts, and Periodic Processing. The main area displays a table of 16 predefined exemption codes, each with a checkbox and a corresponding code letter (A through R). The table is titled 'Exemption Code' and includes a search bar and a 'Create or Import' button. The table shows 16 rows of data, each with a checkbox, a Name, and a Code.

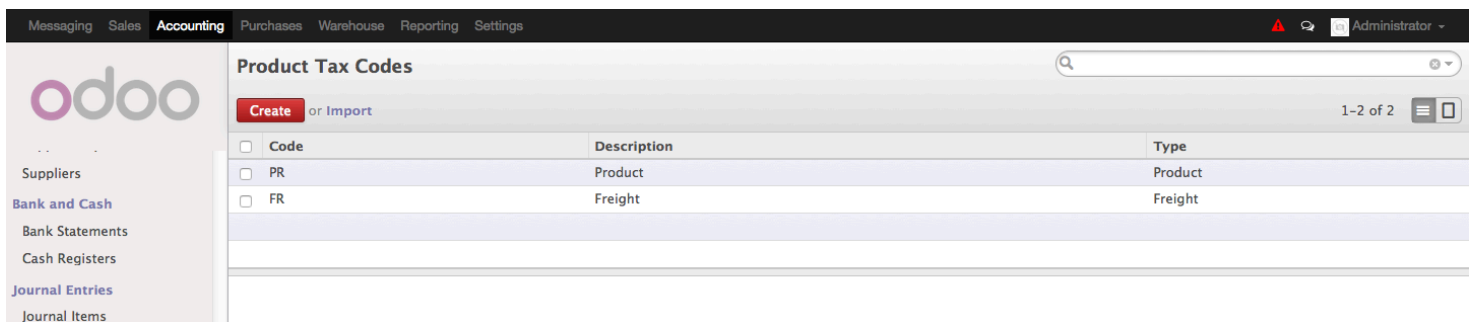
<input type="checkbox"/>	Name	Code
<input type="checkbox"/>	Federal Government	A
<input type="checkbox"/>	State Government	B
<input type="checkbox"/>	Tribe / Status Indian / Indian Band	C
<input type="checkbox"/>	Foreign Diplomat	D
<input type="checkbox"/>	Charitable or Benevolent Org	E
<input type="checkbox"/>	Religious or Educational Org	F
<input type="checkbox"/>	Resale	G
<input type="checkbox"/>	Commercial Agricultural Production	H
<input type="checkbox"/>	Industrial Production / Manufacturer	I
<input type="checkbox"/>	Direct Pay Permit	J
<input type="checkbox"/>	Direct Mail	K
<input type="checkbox"/>	Other	L
<input type="checkbox"/>	Local Government	N
<input type="checkbox"/>	Commercial Aquaculture	P
<input type="checkbox"/>	Commercial Fishery	Q
<input type="checkbox"/>	Non-Resident	R

Product Tax Codes

Create product tax codes to assign to each product and/or product category.

Navigate to: **Accounting > Configuration > AvaTax > Product Tax Codes**

Add, remove and modify product tax codes



The screenshot shows the Odoo Accounting Configuration interface for AvaTax Product Tax Codes. The left sidebar contains navigation links for Suppliers, Bank and Cash, Journal Entries, and Journal Items. The main area displays a table of 2 predefined product tax codes, each with a checkbox, a code, a description, and a type. The table is titled 'Product Tax Codes' and includes a search bar and a 'Create or Import' button. The table shows 2 rows of data, each with a checkbox, a Code, a Description, and a Type.

<input type="checkbox"/>	Code	Description	Type
<input type="checkbox"/>	PR	Product	Product
<input type="checkbox"/>	FR	Freight	Freight

Shipping Rate Configuration:

Configure shipping rates to apply to each transaction/product.

Navigate to: **Accounting > Configuration > AvaTax > Shipping Rate Configuration**

Add, remove and modify shipping methods and rates

Accounting

Shipping Rate Configuration

odoo

Suppliers

Bank and Cash

Bank Statements

Cash Registers

Journal Entries

Journal Items

Shipping Rate Configuration

Create or Import

1-1 of 1

Shipping Method Name	Active	Account
<input type="checkbox"/> Fedex	<input checked="" type="checkbox"/>	647000 Miscellaneous Expense

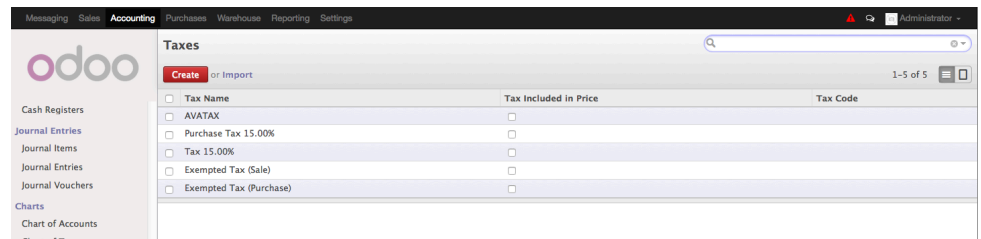
Configure Taxes

The AvaTax module is integrated into the Taxes of Odoo. “AVATAX” is automatically added as a type of Taxes to be applied. You can configure how “AVATAX” integrates into the Odoo system.

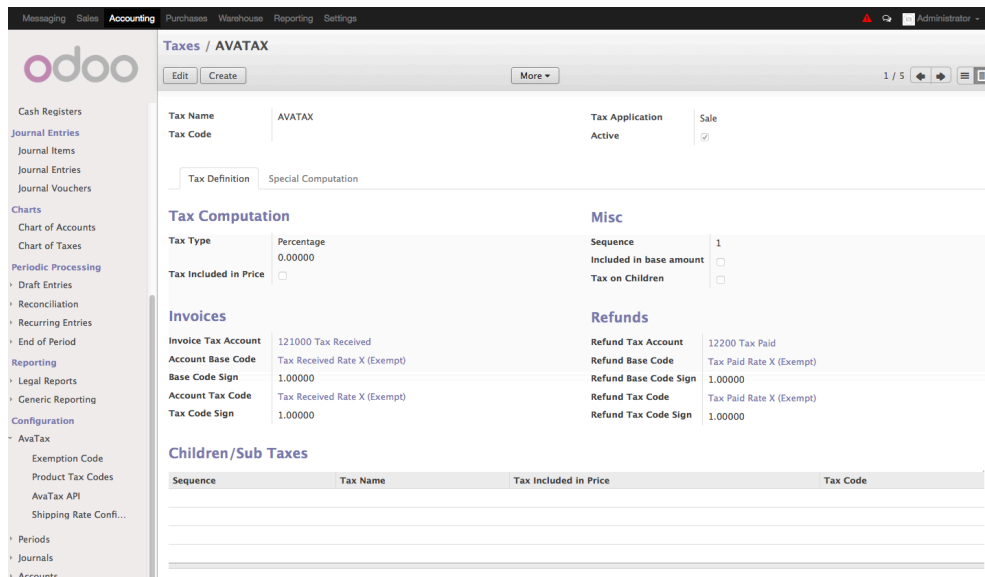
Configure AVATAX Tax Type

Navigate to: **Accounting > Taxes > Taxes**

Select **AVATAX** from the list view (automatically added on module install)



Click the “**Edit**” button



Configure the **AVATAX** Tax Type with the proper tax account configuration for your system.
Click the “**Save**” button

* Upon initial install the settings will be blank. The above image shows an example configuration.

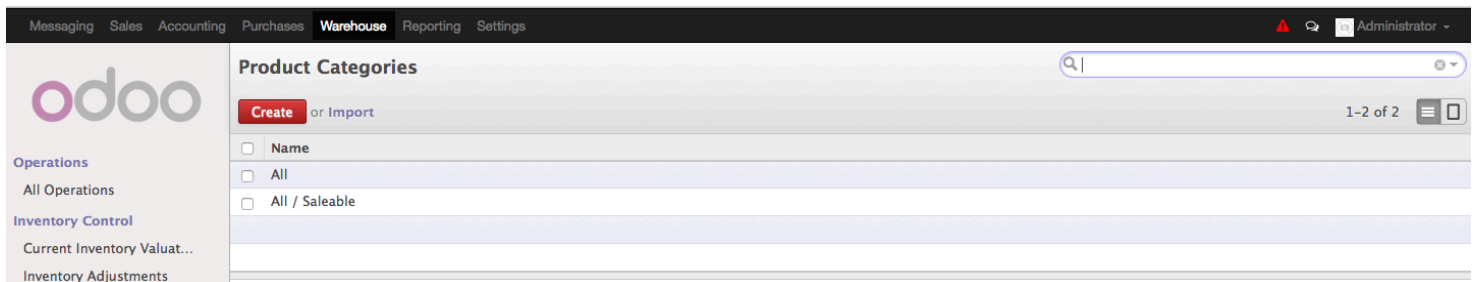
Product Category Configuration

Odoo products are typically assigned to product categories. AvaTax settings can be assigned to the product category. The category default tax code will auto-populate when a product category is created

Create New Product Category

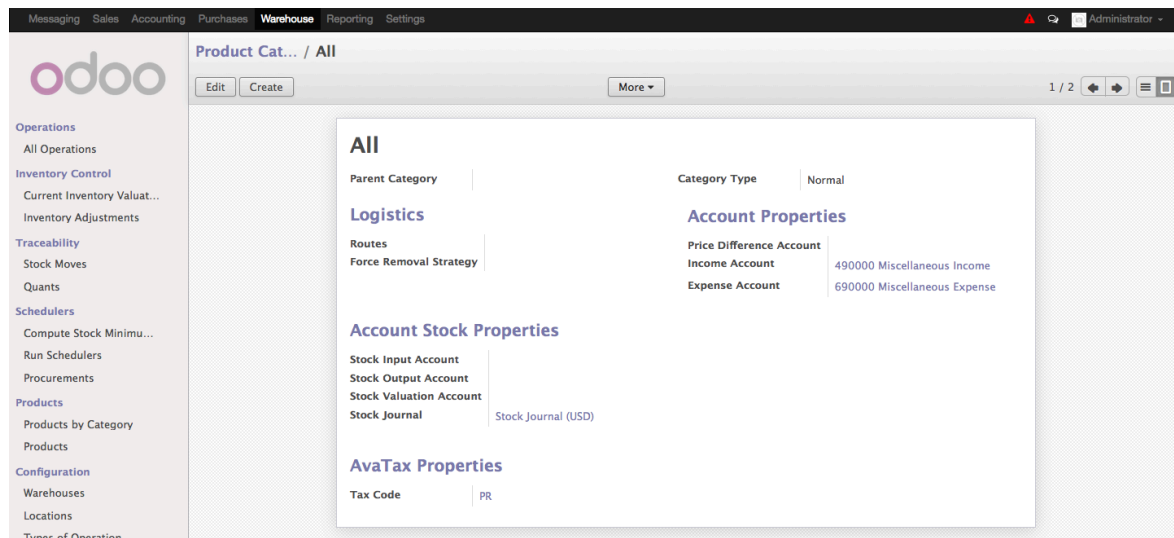
Navigate to: **Sales > Configuration > Products > Product Categories**

Click “**Create**” button



Configure Product Category Tax Code

Under **AvaTax Properties > Tax Code**, Select the desired Tax Code



Click “**Save**” button

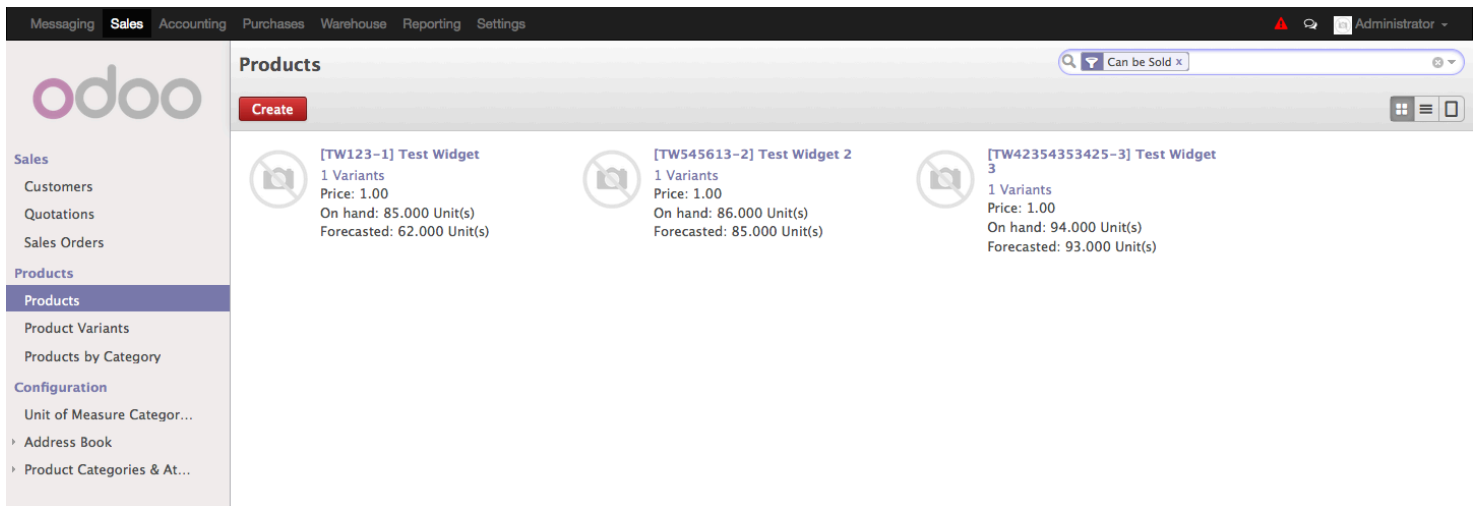
Product Configuration

Individual products default to the tax code assigned to its product category, however you can change the tax codes if necessary. Tax calculations for a specific product can be disabled and will default to the product tax settings for the product category it belongs to.

Create New Product

Navigate to: **Sales > Products > Products**

Click “**Create**” button



Configure Product Tax Code

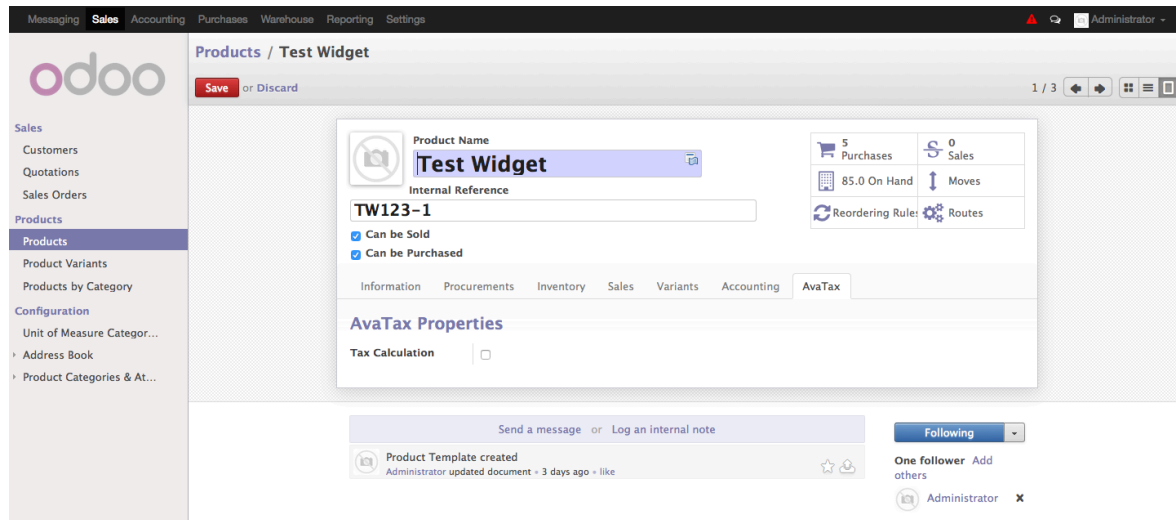
Under Category, select a Product Category

Under AvaTax Properties, the Tax Calculation check box is checked by default

If you wish to change the Tax Code defined by the Product Category, do so under

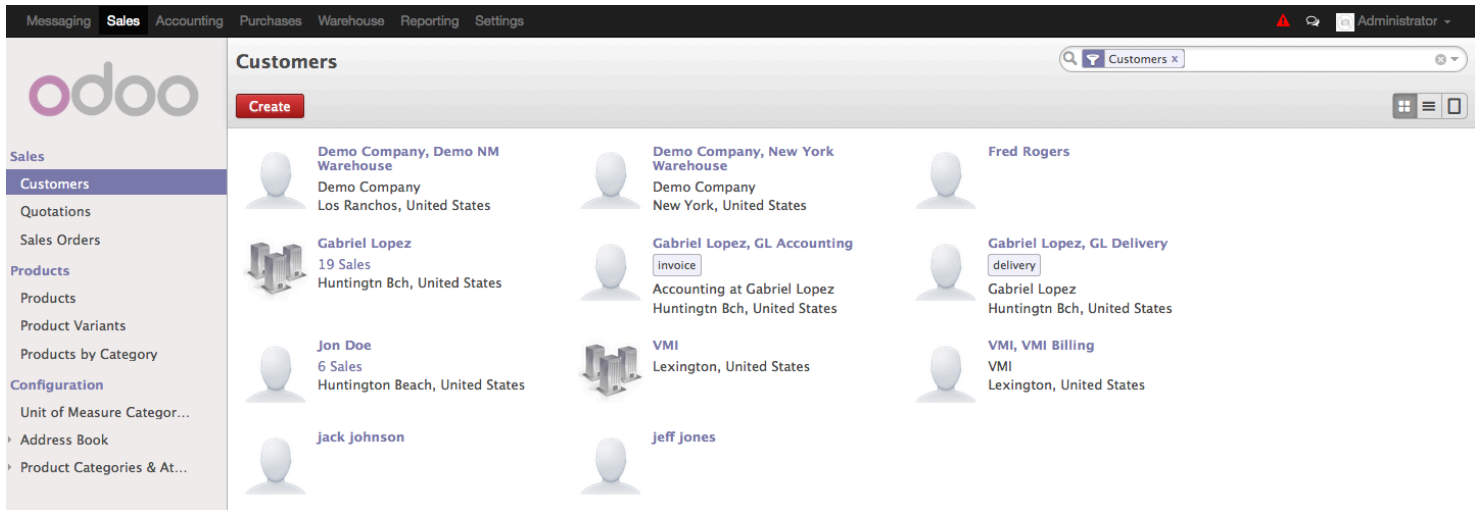
AvaTax Properties > Tax Code

Click “**Save**” button



Customer Configuration

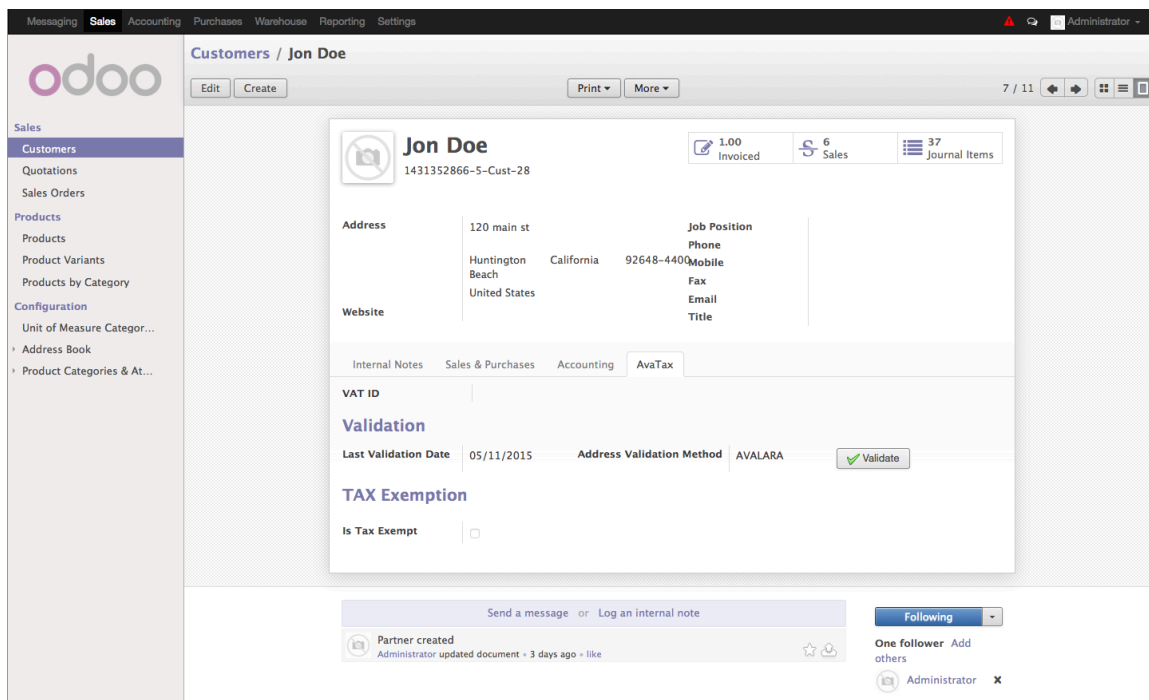
Properly configuring each customer ensures the correct tax is calculated and applied for all transactions.



Create New Customer

Navigate to: **Sales > Customers**

Click **“Create”** button



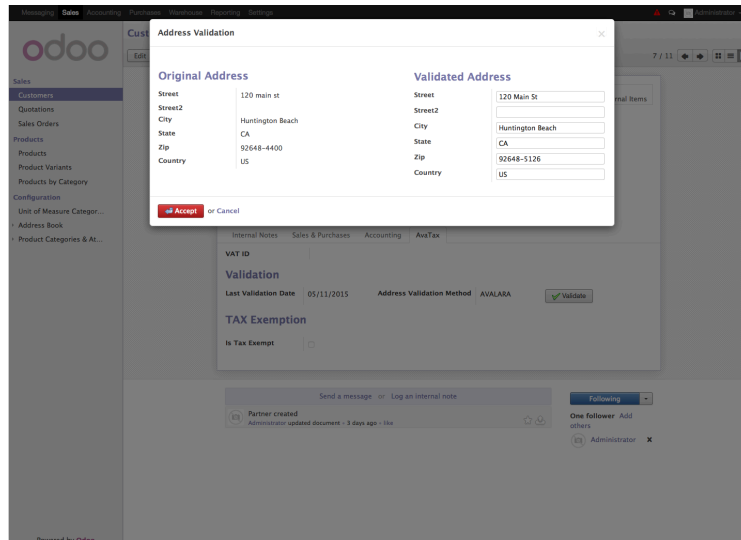
Configure Customer Address

Enter Customer Address Select the AvaTax tab

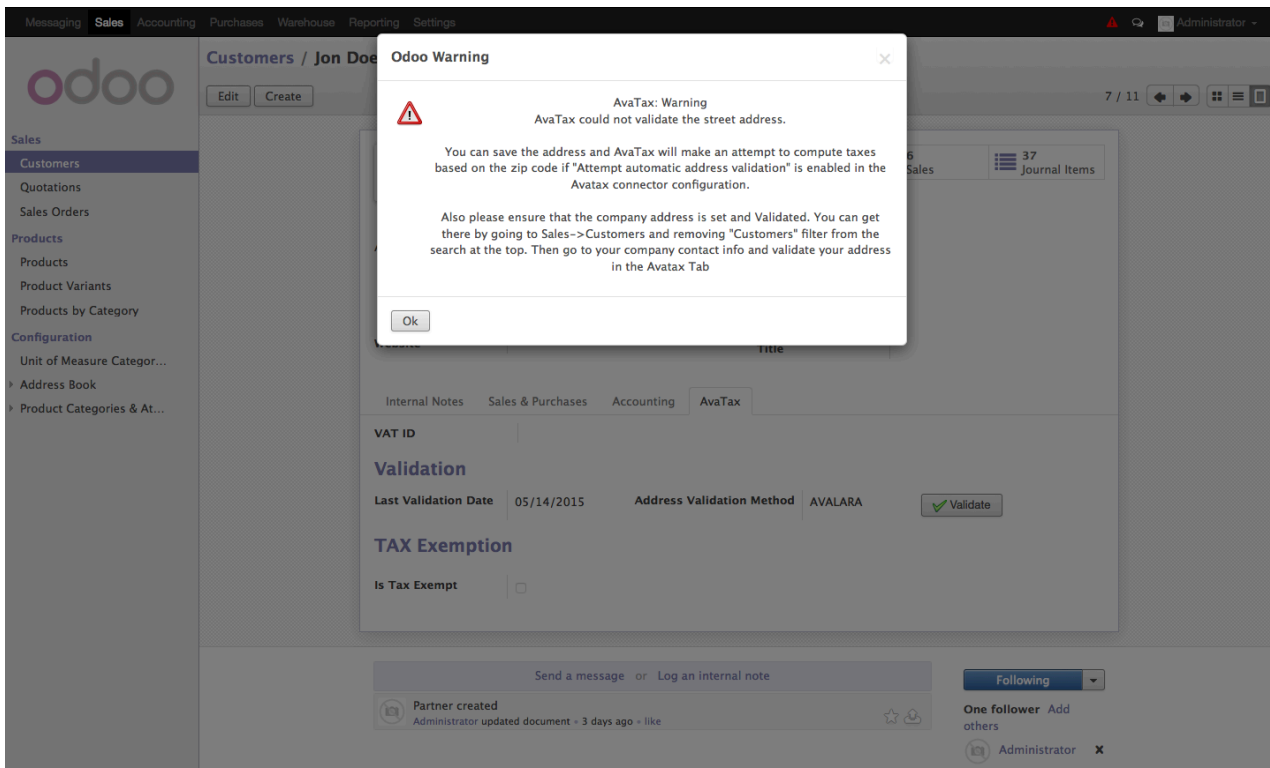
Click **“Validate”** button

Address Validation

AvaTax Module will attempt to match the address you entered with a valid address in its database. Click the **“Accept”** button if the address is valid



If the address is not found in the AvaTax database you can still continue and use the address you entered by clicking **“OK”** on the warning dialog box



Tax Exemption Status

If the customer is Tax Exempt, uncheck the box Under **Tax Exemption > Is Tax Exempt**
Select the desired **Tax Exempt Code** from the dropdown menu

Customer Invoices

The AvaTax module is integrated into Customer Invoices and is applied to each transaction. The Transaction log in the AvaTax interface shows the invoice details and displays whether the transaction is an uncommitted or committed status. A validated invoice will show an “Uncommitted” and a paid Invoice will show a “Committed” status.

The module will check if there is a selected warehouse and will automatically determine the address of the warehouse and determine the origin location. If no address is assigned to the warehouse the module will automatically use the address of the company as its origin.

Discounts are handled when they are enabled in Odoo's settings. They will be reported as a net deduction on the line item cost.

Create New Customer Invoice

Navigate to: **Accounting > Customers > Customer Invoices**

Click “**Create**” button

Compute Taxes with AvaTax

Fill out the customer invoice as normal for Odoo

You will note that under Taxes you should see

“**AVATAX**” Click “**Compute Taxes**”

- * **Note:** There is a “Compute” button at the top of the window as well as the “Compute Taxes” button under the subtotal section of the invoice window. Both button and link return a tax calculation.

The screenshot displays the Odoo Customer Invoice interface. The top navigation bar includes 'Messaging', 'Sales', 'Accounting', 'Purchases', 'Warehouse', 'Reporting', and 'Settings'. The left sidebar shows the 'Customers' menu with 'Customer Invoices' selected. The main content area is titled 'Draft Invoice' and contains the following sections:

- Customer Information:** Gabriel Lopez, 120 17th St, Huntingtn Bch, CA 92648-4400, United States.
- Invoice Date:** Sales Journal (USD).
- Journal:** 120010 Account Receivable.
- Exemption Number:** 576441654984.
- Exemption Code:** (D) Foreign Diplomat.
- Location code:**
- Warehouse:**

Below this, there is a section for 'Avalara Tax on...' with checkboxes for 'Default Address', 'Invoice Address', and 'Delivery Address'. The 'Tax Address' is also listed as Gabriel Lopez, 120 17th St, Huntingtn Bch, California 92648-4400, United States.

The 'Invoice Lines' section shows a table with the following data:

Product	Description	Account	Quantity	Avalara Tax	Unit Price	Taxes	Amount
[TW123-1] Test Widget	[TW123-1] Test Widget	479100 Sales	1.000	0.00	1.00	AVATAX	1.00
[TW42354353425-3] Test Widget 3	[TW42354353425-3] Test Widget 3	479100 Sales	1.000	0.00	1.00	AVATAX	1.00

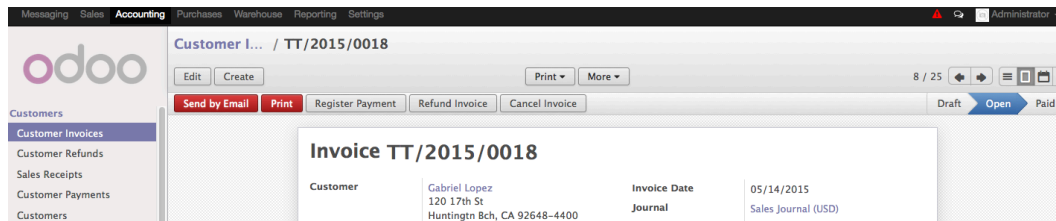
Below the table, there is a section for 'AvaTax Shipping Lines' with a table for 'Ship By', 'Ship Code', 'Avalara Tax', and 'Shipping Cost'.

Validate Invoice

After the taxes have been computed click **“Validate”** button

Register Payment

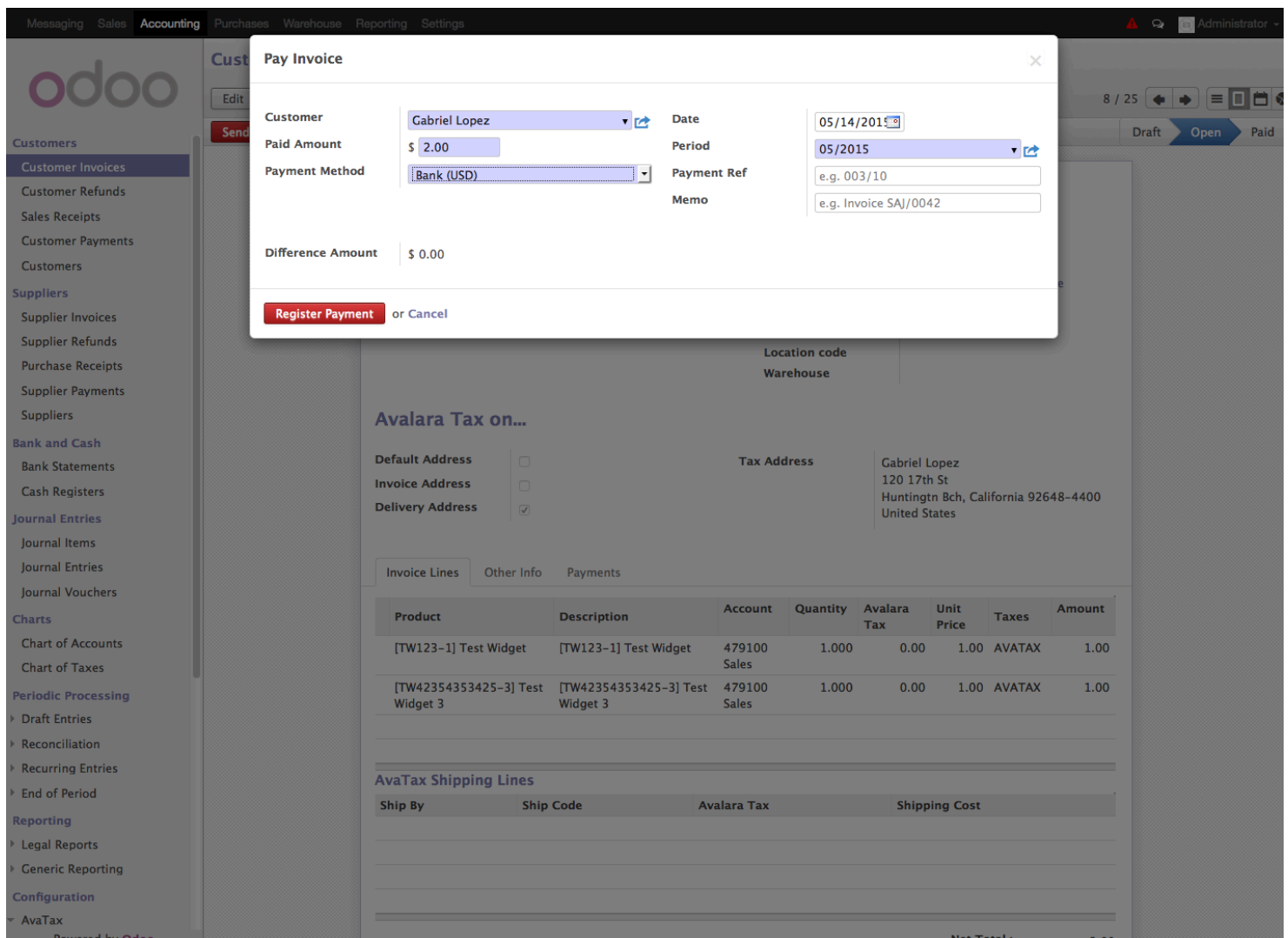
To complete the invoice click **“Register Payment”** button



The screenshot shows the Odoo interface for a Customer Invoice. The top navigation bar includes Messaging, Sales, Accounting, Purchases, Warehouse, Reporting, and Settings. The left sidebar lists various modules like Customers, Customer Invoices, and Sales Receipts. The main content area displays the invoice details for 'Customer I...' with the invoice number 'TT/2015/0018'. The customer is 'Gabriel Lopez' at '120 17th St, Huntingtn Bch, CA 92648-4400'. The invoice date is '05/14/2015' and the journal is 'Sales Journal (USD)'. Buttons for 'Send by Email', 'Print', 'Register Payment', 'Refund Invoice', and 'Cancel Invoice' are visible. The status is 'Draft'.

Complete the Pay Invoice window

Click **“Pay”** button to finalize the Customer Invoice



The screenshot shows the 'Pay Invoice' window in Odoo. The window is titled 'Pay Invoice' and contains the following fields:

- Customer: Gabriel Lopez
- Paid Amount: \$ 2.00
- Payment Method: Bank (USD)
- Date: 05/14/2015
- Period: 05/2015
- Payment Ref: e.g. 003/10
- Memo: e.g. Invoice SAJ/0042
- Difference Amount: \$ 0.00

At the bottom of the window, there are two buttons: 'Register Payment' (highlighted in red) and 'Cancel'.

The background shows the 'Avalara Tax on...' section with a table of invoice lines and a section for 'AvaTax Shipping Lines'.

Product	Description	Account	Quantity	Avalara Tax	Unit Price	Taxes	Amount
[TW123-1] Test Widget	[TW123-1] Test Widget	479100 Sales	1.000	0.00	1.00	AVATAX	1.00
[TW42354353425-3] Test Widget 3	[TW42354353425-3] Test Widget 3	479100 Sales	1.000	0.00	1.00	AVATAX	1.00

Ship By	Ship Code	Avalara Tax	Shipping Cost

Net Total: 2.00

Customer Refunds

Odoo applies refunds as opposed to voids in its accounting module. As with customer Invoices, the AvaTax module is integrated into Customer Refunds and is applied to each transaction. Refund Invoice transactions will be indicated with a negative total in the AvaTax interface.

Initiate Customer Refund

Navigate to: **Accounting > Customers > Customer Invoices**

Select the invoice you wish to refund

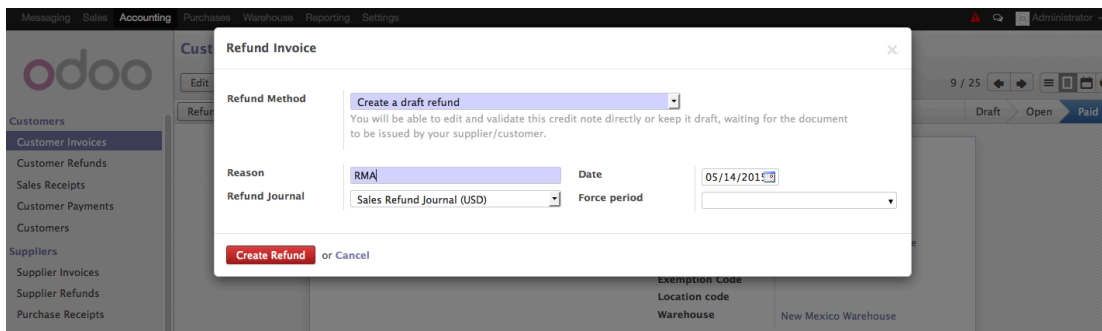
Click **“Refund Invoice”** button



Create Refund Invoice

Under Refund Method select **“Create a draft refund”** from the dropdown

Click **“Create Refund”** button



You will be taken to the Customer Refunds list view

A screenshot of the 'Customer Refunds' list view in Odoo. The table displays a list of refund transactions with columns for Customer, Invoice Date, Number, Responsible, Due Date, Source Document, Balance, Subtotal, Total, and Status. The status column shows 'Draft' and 'Paid'.

Validate Refund

Select the Customer Refund you wish to refund
Review the Draft Refund and click **“Validate”** button

Refund TT/2015/0011

Customer: Gabriel Lopez
120 17th St
Huntingtn Bch, CA 92648-4400
United States

Invoice Date: 05/11/2015

Journal: Sales Refund Journal (USD)

Account: 120010 Account Receivable

Exemption Number: 576441654984

Exemption Code: (D) Foreign Diplomat

Location code:

Warehouse: Demo Company

Avalara Tax on...

Default Address: ☐

Invoice Address: ☐

Delivery Address: ☒

Tax Address: Gabriel Lopez
120 17th St
Huntingtn Bch, California 92648-4400
United States

Product	Description	Account	Quantity	Avalara Tax	Unit Price	Taxes	Amount
[TW123-1] Test Widget	[TW123-1] Test Widget	479100 Sales	1.000	0.00	1.00	AVATAX	1.00

AvaTax Shipping Lines

Ship By	Ship Code	Avalara Tax	Shipping Cost
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Register Refund Payment

Click **“Register Payment”** button to complete refund

Refund TT/2015/0011

Register Payment

Complete the Pay Refund window
Click **“Pay”** button to finalize the Customer Refund

Pay Invoice

Customer: Gabriel Lopez

Date: 05/14/2015

Paid Amount: \$ 2.00

Period: 05/2015

Payment Method: Bank (USD)

Payment Ref: e.g. 003/10

Memo: e.g. Invoice SAJ/0042

Difference Amount: \$ 0.00

Register Payment or Cancel

Sales Orders

The AvaTax module is integrated into Sales Orders and allows computation of taxes. Sales Order transactions do not appear in the in the AvaTax interface.

The module will check if there is a selected warehouse and will automatically determine the address of the warehouse and determine the origin location. If no address is assigned to the warehouse the module will automatically use the address of the company as its origin.

The information placed in the sales order will automatically pass this information to the Invoice where the report the tax calculation to the Avalara servers and can be viewed in the AvaTax control panel.

Discounts are handled when they are enabled in Odoo's settings. They will be reported as a net deduction on the line item cost.

Create New Sales Order

Navigate to: **Sales > Sales > Sales Orders**

Click “**Create**” button

Messaging Sales Accounting Purchases Warehouse Reporting Settings

Sales Orders

[Create](#) or [Import](#)

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	<input type="checkbox"/> Order Number	Date	Customer	Salesperson	Total	Status
Sales	<input type="checkbox"/> SO025	05/11/2015 14:51:45	Jon Doe	Administrator	2.16	Sales Order
Customers	<input type="checkbox"/> SO024	05/11/2015 14:47:36	Jon Doe	Administrator	1.08	Sales Order
Quotations	<input type="checkbox"/> SO023	05/11/2015 14:10:45	Gabriel Lopez	Administrator	1.00	Sales Order
Sales Orders	<input type="checkbox"/> SO020	05/11/2015 13:39:33	Gabriel Lopez	Administrator	1.00	Sales Order
Products	<input type="checkbox"/> SO019	05/11/2015 13:12:26	Gabriel Lopez	Administrator	11.00	Sales Order
Products	<input type="checkbox"/> SO018	05/11/2015 13:08:19	Gabriel Lopez	Administrator	1.00	Sales Order
Product Variants	<input type="checkbox"/> SO017	05/11/2015 13:07:37	Gabriel Lopez	Administrator	11.00	Sale to Invoice
Products by Category	<input type="checkbox"/> SO016	05/11/2015 13:04:22	Gabriel Lopez	Administrator	1.00	Sales Order

Compute Taxes with AvaTax

Fill out the customer invoice as normal for Odoo You will note that under Taxes you should see “AVATAX” Click “**Compute**” in the subtotal section of the page.

The module will check if there is a selected warehouse and will automatically determine the address of the warehouse and determine the origin location. If no address is assigned to the warehouse the module will automatically use the address of the company as its origin.

Location code will automatically populate with the warehouse code but can be modified.

[illegible]